UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

MAR 2 2 2007

AE-17J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Bernard J. Szalkowski, Site Manager
Vertellus Agriculture & Nutrition Specialties
1500 South Tibbs Avenue
Indianapolis, Indiana 46242

Dear Mr. Szalkowski:

This is to advise you that the United States Environmental Protection Agency (U.S. EPA) has determined that the Vertellus Agriculture & Nutrition Specialties (Vertellus) facility in Indianapolis, Indiana is in violation of the Clean Air Act (CAA). A list of the requirements violated is provided below. We are today issuing to you a Finding of Violation (FOV) for these violations.

The CAA requires the development of standards for emissions of Hazardous Air Pollutants (HAP) to protect public health and welfare. To attain and maintain these standards, U.S. EPA promulgated Maximum Achievable Control Technology (MACT) standards set forth to address HAP emissions from various source categories. Of these MACT standards, Vertellus is in violation of the MACT standards that regulate HAP emissions from Pharmaceutical Production.

Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil action, and bringing a judicial criminal action. The option we select, in part, depends on the efforts taken by Vertellus to correct the alleged violations and the timeframe in which you can demonstrate and maintain continuous compliance with the requirements cited in the FOV.

Before we decide which enforcement option is appropriate, Section 113 of the CAA provides you with the opportunity to request a conference with us about the violations alleged in the FOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

The U.S. EPA contact in this matter is Constantinos Loukeris. You may call him at (312) 353-6198 to request a conference. U.S. EPA hopes that this FOV will encourage Vertellus to achieve compliance with the requirements of the Clean Air Act.

Sincerely yours,

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: Craig Henry, Indiana Department of Environmental Management
Cheryl Carlson, City of Indianapolis

United States Environmental Protection Agency
Region 5

IN THE MATTER OF: Vertellus Indianapolis, Indiana Proceedings Pursuant to the Clean Air Act, 42 U.S.C. §§ 7401 et seq.	)))))))))	FINDING OF VIOLATION EPA-5-07-IN-08

FINDING OF VIOLATION

Vertellus Agriculture & Nutrition Specialties (you or Vertellus) owns and operates emission sources of Hazardous Air Pollutants (HAP) at its Indianapolis, Indiana facility. This Finding of Violation (FOV) includes violations of Maximum Achievable Control Technology (MACT) standards for Pharmaceutical Production, as set forth in 40 C.F.R. Part 63, Subpart GGG.

United States Environmental Protection Agency (U.S. EPA) is sending this FOV to address the alleged violations identified below. The MACT standard violated by Vertellus is concerned with controlling HAP emissions from various operations within a process. The underlying statutory requirements include provisions of the Clean Air Act (the Act or CAA).

Section 113 of the Act provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for the Facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Explanation of Violations

1. On September 21, 1998, U.S. EPA promulgated the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Pharmaceutical Production. The owner or operator of an existing affected source was required to comply with the rule no later than October 21, 2002.

2. The following Pharmaceutical MACT (Pharma MACT) requirements are relevant to this FOV:

a. The Pharma MACT, at 40 C.F.R. § 63.1254(a), states that an owner or operator of an existing affected source must comply with the requirements in paragraphs (a)(1) and (3) or paragraphs (a)(2) and (3) of Section 63.1254. Initial compliance with the required emission limits or reductions in paragraphs (a)(1) through (3) of Section 63.1254 is demonstrated in accordance with the initial compliance procedures described in § 63.1257(d), and continuous compliance is demonstrated in accordance with the monitoring requirements described in Section 63.1258.

b. The Pharma MACT, at 40 C.F.R. § 63.1254(a)(3)(i), states that uncontrolled HAP emissions from a process vent must be reduced by 98 percent or in accordance with any of the procedures in paragraph (a)(1)(ii)(A) through (D) of Section 63.1254 if the uncontrolled HAP emissions from the vent exceed 25 tons per year, and the flow-weighted average flowrate calculated using Equation 1 of Subpart GGG is less than or equal to the flowrate index calculated using Equation 2 of Subpart GGG.

c. The Pharma MACT, at 40 C.F.R. § 63.1257(d)(1), states that initial compliance with the process vent standards in Section 63.1254 shall be demonstrated using the procedures specified in paragraphs (d)(1)(i) through (iv), as applicable.

d. The Pharma MACT, at 40 C.F.R. § 63.1257(d)(1)(ii), states that initial compliance with the process vent standards in Section 63.1254(a)(1)(i), (a)(3), and (b) is demonstrated by meeting the requirements of Section 63.1257(d)(1)(ii)(A) and (B).

e. The Pharma MACT, at 40 C.F.R. § 63.1257(d)(3)(ii), states that controlled emissions for each process vent that is controlled using a large control device shall be determined by applying the control efficiency of the large control device to the estimated uncontrolled emissions. The control efficiency shall be determined by conducting a performance test on the control device as described in paragraphs (d)(3)(ii)(A) through (C) of Section 63.1257, or by using the results of a previous performance test as described in Section 63.1257(d)(4).

f. The Pharma MACT, at 40 C.F.R. § 63.1251, defines a large control device as a control device that controls total HAP emissions of greater than or equal to 10 tons per year, before control.

3. Based on the results of two performance tests dated August 9, 2006 and December 18, 2006, conducted by Vertellus, Vertellus was not able to demonstrate that the Plant 41 Waste Gas Incinerator reduced uncontrolled HAP emissions from the process vent by 98 percent pursuant to § 63.1254(a)(3)(i).

Environmental Impact of Violations

1. Violation of the above MACT standards increases public exposure to HAP emissions, specifically Hydrogen Cyanide and Benzene.

   a. Hydrogen cyanide can cause rapid death due to metabolic asphyxiation. Death can occur within seconds or minutes of the inhalation of high concentrations of hydrogen cyanide gas. Exposure to low concentrations of hydrogen cyanide has caused enlarged thyroid glands in workers. Acute (short-term) exposure of hydrogen cyanide can result in symptoms including weakness, headaches, confusion, vertigo, fatigue, anxiety, dyspnea, and occasionally nausea and vomiting. Chronic exposure to hydrogen cyanide can result in symptoms similar to acute exposure in addition to dermatitis, itching, scarlet rash, thyroid changes and frank goiter.

   b. Acute inhalation exposure of humans to benzene may cause drowsiness, dizziness, headaches, as well as eye, skin, and respiratory tract irritation, and, at high levels unconsciousness. Chronic inhalation exposure has caused various disorders in the blood, including reduced number of red blood cells and aplastic anemia. Reproductive effects have been reported for women exposed by inhalation to high levels, and adverse effects on the developing fetus have been observed in animal tests. Increased incidence of leukemia has been observed in humans occupationally exposed to benzene. U.S. EPA has classified benzene as a Group A, human carcinogen.

3/22/07
Date

ACTING
Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Shanee Rucker, certify that I sent a Notice and Finding of Violation, No. EPA-5-07-IN-08, by Certified Mail, Return Receipt Requested, to:

Bernard J. Szalkowski
Site Manager
Vertellus Agriculture & Nutrition Specialties
1500 South Tibbs Avenue
Indianapolis, Indiana 46242

I also certify that I sent copies of the Finding of Violation and Notice of Violation by first class mail to:

Craig Henry
Senior Environmental Manager Supervisor
Office of Compliance and Enforcement
Indiana Department of Environmental Management
100 N. Senate Ave
Indianapolis, IN 46204

Cheryl Carlson, Chief
Enforcement
Office of Environmental Services
City of Indianapolis
Administration Building
2700 South Belmont Ave.
Indianapolis, IN 46221

on the 23 day of March, 2007.

Shanee Rucker

Shanee Rucker, Administrative Program Assistant
Air Enforcement and Compliance Assurance
Section (MI/WI)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0006 0198 8584